

**STATISTICAL INFORMATION ONLY: Debtor must select the number of each of the following items included in the Plan.**

01 Valuation of Security 0 Assumption of Executory Contract or Unexpired Lease 01 Lien Avoidance

Last revised: August 1, 2020

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY**

In Re:

Charles Morelli

Case No.:

17- 33664

Judge:

Gravelle

Debtor(s)

**Chapter 13 Plan and Motions**

☐ Original

☒ Modified/Notice Required

Date: September 1, 2020

☐ Motions Included

☐ Modified/No Notice Required

THE DEBTOR HAS FILED FOR RELIEF UNDER  
CHAPTER 13 OF THE BANKRUPTCY CODE

**YOUR RIGHTS MAY BE AFFECTED**

You should have received from the court a separate *Notice of the Hearing on Confirmation of Plan*, which contains the date of the confirmation hearing on the Plan proposed by the Debtor. This document is the actual Plan proposed by the Debtor to adjust debts. You should read these papers carefully and discuss them with your attorney. Anyone who wishes to oppose any provision of this Plan or any motion included in it must file a written objection within the time frame stated in the *Notice*. Your rights may be affected by this plan. Your claim may be reduced, modified, or eliminated. This Plan may be confirmed and become binding, and included motions may be granted without further notice or hearing, unless written objection is filed before the deadline stated in the *Notice*. The Court may confirm this plan, if there are no timely filed objections, without further notice. See Bankruptcy Rule 3015. If this plan includes motions to avoid or modify a lien, the lien avoidance or modification may take place solely within the chapter 13 confirmation process. The plan confirmation order alone will avoid or modify the lien. The debtor need not file a separate motion or adversary proceeding to avoid or modify a lien based on value of the collateral or to reduce the interest rate. An affected lien creditor who wishes to contest said treatment must file a timely objection and appear at the confirmation hearing to prosecute same.

The following matters may be of particular importance. Debtors must check one box on each line to state whether the plan includes each of the following items. If an item is checked as "Does Not" or if both boxes are checked, the provision will be ineffective if set out later in the plan.

THIS PLAN:

☒ DOES ☐ DOES NOT CONTAIN NON-STANDARD PROVISIONS. NON-STANDARD PROVISIONS MUST ALSO BE SET FORTH IN PART 10.

☒ DOES ☐ DOES NOT LIMIT THE AMOUNT OF A SECURED CLAIM BASED SOLELY ON VALUE OF COLLATERAL, WHICH MAY RESULT IN A PARTIAL PAYMENT OR NO PAYMENT AT ALL TO THE SECURED CREDITOR. SEE MOTIONS SET FORTH IN PART 7, IF ANY.

☒ DOES ☐ DOES NOT AVOID A JUDICIAL LIEN OR NONPOSSESSORY, NONPURCHASE-MONEY SECURITY INTEREST. SEE MOTIONS SET FORTH IN PART 7, IF ANY.

Initial Debtor(s)' Attorney: JMC

Initial Debtor: CM

Initial Co-Debtor: \_\_\_\_\_

**Part 1: Payment and Length of Plan**

a. The debtor shall pay \$ 928 per month to the Chapter 13 Trustee, starting on September 2020 for approximately 50 months.

b. The debtor shall make plan payments to the Trustee from the following sources:

☒ Future earnings

☐ Other sources of funding (describe source, amount and date when funds are available):

c. Use of real property to satisfy plan obligations:

☐ Sale of real property

Description:

Proposed date for completion: \_\_\_\_\_

☐ Refinance of real property:

Description:

Proposed date for completion: \_\_\_\_\_

☐ Loan modification with respect to mortgage encumbering property:

Description:

Proposed date for completion: \_\_\_\_\_

d. ☐ The regular monthly mortgage payment will continue pending the sale, refinance or loan modification.

e. ☒ Other information that may be important relating to the payment and length of plan:

This plan seeks to extend the term by an additional 24 months as allowed under the CARES Act.

**Part 2: Adequate Protection ☐ NONE**

a. Adequate protection payments will be made in the amount of \$ \_\_\_\_\_ to be paid to the Chapter 13 Trustee and disbursed pre-confirmation to \_\_\_\_\_ (creditor).

b. Adequate protection payments will be made in the amount of \$ 2107.93 to be paid directly by the debtor(s) outside the Plan, pre-confirmation to: SN Servicing Corporation (creditor).

**Part 3: Priority Claims (Including Administrative Expenses)**

a. All allowed priority claims will be paid in full unless the creditor agrees otherwise:

Creditor	Type of Priority	Amount to be Paid
CHAPTER 13 STANDING TRUSTEE	ADMINISTRATIVE	AS ALLOWED BY STATUTE
ATTORNEY FEE BALANCE	ADMINISTRATIVE	BALANCE DUE: \$ 1000* Subject to Fee App
DOMESTIC SUPPORT OBLIGATION	N/A	

b. Domestic Support Obligations assigned or owed to a governmental unit and paid less than full amount:  
Check one:

☒ None

☐ The allowed priority claims listed below are based on a domestic support obligation that has been assigned to or is owed to a governmental unit and will be paid less than the full amount of the claim pursuant to 11 U.S.C.1322(a)(4):

Creditor	Type of Priority	Claim Amount	Amount to be Paid
	Domestic Support Obligations assigned or owed to a governmental unit and paid less than full amount.		

**Part 4: Secured Claims**

**a. Curing Default and Maintaining Payments on Principal Residence:** ☒ **NONE**

The Debtor will pay to the Trustee (as part of the Plan) allowed claims for arrearages on monthly obligations and the debtor shall pay directly to the creditor (outside the Plan) monthly obligations due after the bankruptcy filing as follows:

Creditor	Collateral or Type of Debt	Arrearage	Interest Rate on Arrearage	Amount to be Paid to Creditor (In Plan)	Regular Monthly Payment (Outside Plan)
SN Servicing	1 LORELEI DRIVE HOWELL NJ 07731	\$27,622.02 - includes post petition arrears	N/A	\$27,622.02	\$2,107.93

**b. Curing and Maintaining Payments on Non-Principal Residence & other loans or rent arrears:** ☒ **NONE**

The Debtor will pay to the Trustee (as part of the Plan) allowed claims for arrearages on monthly obligations and the debtor will pay directly to the creditor (outside the Plan) monthly obligations due after the bankruptcy filing as follows:

Creditor	Collateral or Type of Debt	Arrearage	Interest Rate on Arrearage	Amount to be Paid to Creditor (In Plan)	Regular Monthly Payment (Outside Plan)

**c. Secured claims excluded from 11 U.S.C. 506:** ☐ **NONE**

The following claims were either incurred within 910 days before the petition date and are secured by a purchase money security interest in a motor vehicle acquired for the personal use of the debtor(s), or incurred within one year of the petition date and secured by a purchase money security interest in any other thing of value:

Name of Creditor	Collateral	Interest Rate	Amount of Claim	Total to be Paid through the Plan Including Interest Calculation



**d. Requests for valuation of security, Cram-down, Strip Off & Interest Rate Adjustments** ☐ NONE

1.) The debtor values collateral as indicated below. If the claim may be modified under Section 1322(b)(2), the secured creditor shall be paid the amount listed as the "Value of the Creditor Interest in Collateral," plus interest as stated. The portion of any allowed claim that exceeds that value shall be treated as an unsecured claim. If a secured claim is identified as having "NO VALUE" it shall be treated as an unsecured claim.

**NOTE: A modification under this Section ALSO REQUIRES  
the appropriate motion to be filed under Section 7 of the Plan.**

Creditor	Collateral	Scheduled Debt	Total Collateral Value	Superior Liens	Value of Creditor Interest in Collateral	Annual Interest Rate	Total Amount to be Paid
First American Title	1 LORELEI DRIVE HOWELL NJ 07731	\$74,149	\$271,000	SN Servicing - 352,996.37	\$0	N/A	\$0

2.) Where the Debtor retains collateral and completes the Plan, payment of the full amount of the allowed secured claim shall discharge the corresponding lien.

First American Title

**e. Surrender** ☒ NONE

Upon confirmation, the stay is terminated as to surrendered collateral only under 11 U.S.C. 362(a) and that the stay under 11 U.S.C 1301 be terminated in all respects. The Debtor surrenders the following collateral:

Creditor	Collateral to be Surrendered	Value of Surrendered Collateral	Remaining Unsecured Debt

**f. Secured Claims Unaffected by the Plan** ☒ NONE

The following secured claims are unaffected by the Plan:

**g. Secured Claims to be Paid in Full Through the Plan:** ☒ NONE

Creditor	Collateral	Total Amount to be Paid Through the Plan

**Part 5: Unsecured Claims** ☐ NONE

**a. Not separately classified** allowed non-priority unsecured claims shall be paid:

- ☒ Not less than \$ 13,140 to be distributed *pro rata*  
☐ Not less than \_\_\_\_\_ percent  
☐ *Pro Rata* distribution from any remaining funds

**b. Separately classified unsecured** claims shall be treated as follows:

Creditor	Basis for Separate Classification	Treatment	Amount to be Paid

**Part 6: Executory Contracts and Unexpired Leases ☒ NONE**

(NOTE: See time limitations set forth in 11 U.S.C. 365(d)(4) that may prevent assumption of non-residential real property leases in this Plan.)

All executory contracts and unexpired leases, not previously rejected by operation of law, are rejected, except the following, which are assumed:

Creditor	Arrears to be Cured in Plan	Nature of Contract or Lease	Treatment by Debtor	Post-Petition Payment

**Part 7: Motions ☐ NONE**

**NOTE: All plans containing motions must be served on all affected lienholders, together with local form, *Notice of Chapter 13 Plan Transmittal*, within the time and in the manner set forth in D.N.J. LBR 3015-1. A *Certification of Service, Notice of Chapter 13 Plan Transmittal*, and *valuation* must be filed with the Clerk of Court when the plan and transmittal notice are served.**

**a. Motion to Avoid Liens Under 11. U.S.C. Section 522(f). ☒ NONE**

The Debtor moves to avoid the following liens that impair exemptions:

Creditor	Nature of Collateral	Type of Lien	Amount of Lien	Value of Collateral	Amount of Claimed Exemption	Sum of All Other Liens Against the Property	Amount of Lien to be Avoided

**b. Motion to Avoid Liens and Reclassify Claim from Secured to Completely Unsecured.** ☐ NONE

The Debtor moves to reclassify the following claims as unsecured and to void liens on collateral consistent with Part 4 above:

Creditor	Collateral	Scheduled Debt	Total Collateral Value	Superior Liens	Value of Creditor's Interest in Collateral	Total Amount of Lien to be Reclassified
First American Title	1 LORELEI DRIVE HOWELL NJ 07731	\$74,149	\$271,000	SN Servicing - \$352,996.37	\$0	100%

**c. Motion to Partially Void Liens and Reclassify Underlying Claims as Partially Secured and Partially Unsecured.** ☒ NONE

The Debtor moves to reclassify the following claims as partially secured and partially unsecured, and to void liens on collateral consistent with Part 4 above:

Creditor	Collateral	Scheduled Debt	Total Collateral Value	Amount to be Deemed Secured	Amount to be Reclassified as Unsecured

**Part 8: Other Plan Provisions**

**a. Vesting of Property of the Estate**

- ☒ Upon confirmation  
☐ Upon discharge

**b. Payment Notices**

Creditors and Lessors provided for in Parts 4, 6 or 7 may continue to mail customary notices or coupons to the Debtor notwithstanding the automatic stay.



**c. Order of Distribution**

The Standing Trustee shall pay allowed claims in the following order:

- 1) Ch. 13 Standing Trustee commissions & Administrative Claims
- 2) Secured Claims
- 3) Priority Claims
- 4) Unsecured Claims

**d. Post-Petition Claims**

The Standing Trustee ☐ is, ☒ is not authorized to pay post-petition claims filed pursuant to 11 U.S.C. Section 1305(a) in the amount filed by the post-petition claimant.

**Part 9: Modification** ☐ NONE

**NOTE: Modification of a plan does not require that a separate motion be filed. A modified plan must be served in accordance with D.N.J. LBR 3015-2.**

If this Plan modifies a Plan previously filed in this case, complete the information below.

Date of Plan being modified: October 1, 2018.

<p>Explain below <b>why</b> the plan is being modified:</p> <p>The Debtor had no employment with the onset of the COVID 19 virus. The Debtor fell behind on his payments to the mortgage company and the Chapter 13 Standing Trustee. The Debtor has now returned to work.</p>	<p>Explain below <b>how</b> the plan is being modified:</p> <p>The Debtor seeks to extend the term of his Chapter 13 plan by 2 additional years pursuant to the CARES Act and will seek to roll post-petition arrears into the Chapter 13 plan.</p>
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Are Schedules I and J being filed simultaneously with this Modified Plan?

☐ Yes ☒ No

**Part 10: Non-Standard Provision(s): Signatures Required**

Non-Standard Provisions Requiring Separate Signatures:

☐ NONE

☒ Explain here:

The plan seeks to strip the lien of First American Title from the property located at 1 Lorelei Drive Howell New Jersey.

Any non-standard provisions placed elsewhere in this plan are ineffective.


**Signatures**

The Debtor(s) and the attorney for the Debtor(s), if any, must sign this Plan.

By signing and filing this document, the debtor(s), if not represented by an attorney, or the attorney for the debtor(s) certify that the wording and order of the provisions in this Chapter 13 Plan are identical to Local Form, *Chapter 13 Plan and Motions*, other than any non-standard provisions included in Part 10.

I certify under penalty of perjury that the above is true.

Date: 9/1/20

  
Debtor

Date: \_\_\_\_\_

\_\_\_\_\_  
Joint Debtor

Date: 9/2/2020

  
Attorney for Debtor(s)

## Certificate of Notice Page 11 of 12

United States Bankruptcy Court  
District of New JerseyIn re:  
Charles Morelli  
DebtorCase No. 17-33664-CMG  
Chapter 13

## CERTIFICATE OF NOTICE

District/off: 0312-3

User: admin  
Form ID: pdf901Page 1 of 2  
Total Noticed: 38

Date Rcvd: Sep 03, 2020

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Sep 05, 2020.

db +Charles Morelli, 1 Lorelei Drive, Howell, NJ 07731-2845  
 cr +SN Servicing Corporation as servicer for U.S. Bank, Friedman Vartolo LLP, 85 Broad Street,  
 Suite 501, New York, NY 10004-1734  
 cr +WELLS FARGO BANK, N.A., Phelan Hallinan & Schmieg, PC, 400 Fellowship Road, Suite 100,  
 Mt. Laurel, NJ 08054-3437  
 517302936 +1235 Westlakes Drive, Suite 400, Berwyn, PA 19312-2416, Attn: Lev Kalman  
 517392185 +Affinity Federal Credit Union, c/o Peter J. Liska, LLC, 766 Shrewsbury Ave.,  
 Tinton Falls, NJ 07724-3001  
 517192085 Dept. Of Education, P.O. Box 105028, Atlanta, GA 30348-5028  
 517192086 +First American Title Insurance Company, 50 Millstone Road, Building 200, Suite 150,  
 East Windsor, NJ 08520-1415  
 517302974 +First American Title Insurance Company, 1235 Westlakes Drive, Suite 400,  
 Berwyn, PA 19312-2416, Attn: Lev Kalman, Esq.  
 517192087 #+First Credit Services, 377 Hoes Lane, Suite 200, Piscataway, NJ 08854-4155  
 517192088 +Kimberly Morelli, 1 Lorelei Drive, Howell, NJ 07731-2845  
 518187042 MTGLQ Investors, LP, c/o Rushmore Loan Management Services, P.O. Box 52708,  
 Irvine, CA 92619-2708  
 518187043 +MTGLQ Investors, LP, c/o Rushmore Loan Management Services, P.O. Box 52708,  
 Irvine, CA 92619-2708, MTGLQ Investors, LP,  
 c/o Rushmore Loan Management Services 92619-2708  
 517192091 +Phelan Hallinan Diamond & Jones, PC, 400 Fellowship Road, Suite 100,  
 Mount Laurel, NJ 08054-3437  
 517192093 +Riker Danzig Scherer Hyland & Perretti, Headquarters Plaza, One Speedwell Avenue,  
 Morristown, NJ 07960-6838  
 517268220 +TD Bank, N.A., c/o Richard J. Tracy, Ill, Esq., 30 Montgomery Street, Suite 1205,  
 Jersey City, NJ 07302-3835  
 517261994 +TD Bank, N.A., c/o Schiller, Knapp,, Lefkowitz & Hertz, LLP, 950 New Loudon Road,  
 Latham, NY 12110-2100  
 517192097 +U.S Department of Education, P.O. Box 9003, Niagara Falls, NY 14302-9003  
 517261613 Wells Fargo Bank, N.A., Wells Fargo Bank, N.A., Default Document Processing, N9286-01Y,  
 1000 Blue Gentian Road, Eagan MN 55121-7700  
 517192098 +Wells Fargo Home Mortgage, PO Box 10335, Des Moines, IA 50306-0335

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

smg E-mail/Text: usanj.njbankr@usdoj.gov Sep 04 2020 00:08:52 U.S. Attorney, 970 Broad St.,  
 Room 502, Rodino Federal Bldg., Newark, NJ 07102-2534  
 smg +E-mail/Text: ustpregion03.ne.ecf@usdoj.gov Sep 04 2020 00:08:49 United States Trustee,  
 Office of the United States Trustee, 1085 Raymond Blvd., One Newark Center, Suite 2100,  
 Newark, NJ 07102-5235  
 517192082 +E-mail/Text: bankruptcy@affinityfcu.com Sep 04 2020 00:08:33  
 Affinity Federal Credit Union, 73 Mountainview Boulevard, Basking Ridge, NJ 07920-2332  
 517192083 E-mail/PDF: AIS.cocard.ebn@americaninfosource.com Sep 04 2020 00:13:36 Capital One,  
 PO Box 30285, Salt Lake City, UT 84130-0285  
 517256241 E-mail/PDF: AIS.cocard.ebn@americaninfosource.com Sep 04 2020 00:13:36  
 Capital One Bank (USA), N.A., PO Box 71083, Charlotte, NC 28272-1083  
 517267760 +E-mail/Text: sbse.cio.bnc@mailirs.gov Sep 04 2020 00:08:27 Department of Treasury,  
 Internal Revenue Service, P O Box 7346, Philadelphia, PA 19101-7346  
 517192084 +E-mail/Text: electronicbkydocs@nelnet.net Sep 04 2020 00:08:53 Dept. Of Ed/Nelnet,  
 3015 Parker Road, Suite 400, Aurora, CO 80014-2904  
 517192089 +E-mail/Text: PBNCFNotifications@perituservices.com Sep 04 2020 00:08:19 Kohl's,  
 P.O. Box 3115, Milwaukee, WI 53201-3115  
 517192090 E-mail/Text: electronicbkydocs@nelnet.net Sep 04 2020 00:08:53 Nelnet, Inc., Claims,  
 P.O. 82505, Lincoln, NE 68501-2505  
 517192092 E-mail/PDF: PRA\_BK2\_CASE\_UPDATE@portfoliorecovery.com Sep 04 2020 00:13:12  
 Portfolio Recovery Associates, LLC, 120 Corporate Boulevard, Norfolk, VA 23502  
 517328731 E-mail/PDF: PRA\_BK2\_CASE\_UPDATE@portfoliorecovery.com Sep 04 2020 00:12:47  
 Portfolio Recovery Associates, LLC, c/o Capital One Bank, N.A., POB 41067,  
 Norfolk VA 23541  
 517346425 E-mail/PDF: PRA\_BK2\_CASE\_UPDATE@portfoliorecovery.com Sep 04 2020 00:13:41  
 Portfolio Recovery Associates, LLC, c/o Lowes, POB 41067, Norfolk VA 23541  
 517192094 E-mail/Text: bankruptcy@savit.com Sep 04 2020 00:09:13 Savit Collection Agency,  
 PO Box 250, East Brunswick, NJ 08816-0250  
 517192095 E-mail/PDF: gecsedirecoverycorp.com Sep 04 2020 00:13:01 Synchrony Bank,  
 Attn: Bankruptcy Department, P.O. Box 965061, Orlando, FL 32896-5061  
 517193275 +E-mail/PDF: gecsedirecoverycorp.com Sep 04 2020 00:13:05 Synchrony Bank,  
 c/o of PRA Receivables Management, LLC, PO Box 41021, Norfolk, VA 23541-1021  
 517192096 E-mail/Text: bankruptcy@td.com Sep 04 2020 00:08:53 TD Bank, 32 Chestnut Street,  
 Lewiston, ME 04240  
 517224297 +E-mail/Text: electronicbkydocs@nelnet.net Sep 04 2020 00:08:53  
 U.S. Department of Education C/O Nelnet, 121 S 13TH ST, SUITE 201, LINCOLN, NE 68508-1911  
 518431533 +E-mail/Text: bknotices@sns.com Sep 04 2020 00:09:12 US Bank NA,  
 c/o SN Servicing Corporation, 323 5th Street, Eureka, CA 95501, US Bank NA,  
 c/o SN Servicing Corporation 95501-0305

District/off: 0312-3

User: admin  
Form ID: pdf901

Page 2 of 2  
Total Noticed: 38

Date Rcvd: Sep 03, 2020

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center (continued)

518431532 +E-mail/Text: bknotices@snsnc.com Sep 04 2020 00:09:11 US Bank NA,  
c/o SN Servicing Corporation, 323 5th Street, Eureka, CA 95501-0305

TOTAL: 19

\*\*\*\*\* BYPASSED RECIPIENTS \*\*\*\*\*

NONE.

TOTAL: 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.  
USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

Addresses marked '#' were identified by the USPS National Change of Address system as requiring an update.  
While the notice was still deliverable, the notice recipient was advised to update its address with the court immediately.

**I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.**

**Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.**

Date: Sep 05, 2020

Signature: /s/Joseph Speetjens

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## CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on September 2, 2020 at the address(es) listed below:

Albert Russo on behalf of Trustee Albert Russo docs@russotrustee.com  
Albert Russo docs@russotrustee.com  
Andrew L. Spivack on behalf of Creditor WELLS FARGO BANK, N.A. nj.bkecf@fedphe.com  
Denise E. Carlon on behalf of Creditor MTGLQ Investors, LP dcarlon@kmlawgroup.com,  
bkgroup@kmlawgroup.com  
Jonathan C. Schwalb on behalf of Creditor SN Servicing Corporation as servicer for U.S. Bank  
Trust National Association as Trustee of the Chalet Series IV Trust  
bankruptcy@friedmanvartolo.com  
Joseph Casello on behalf of Debtor Charles Morelli jcasello@cvclaw.net, jcasello627@gmail.com  
Kevin Gordon McDonald on behalf of Creditor MTGLQ Investors, LP kmcdonald@kmlawgroup.com,  
bkgroup@kmlawgroup.com  
Sherri Jennifer Smith on behalf of Creditor WELLS FARGO BANK, N.A. nj.bkecf@fedphe.com,  
nj.bkecf@fedphe.com  
U.S. Trustee USTPRegion03.NE.ECF@usdoj.gov

TOTAL: 9